

AEG Affiliated Energy Group Diversifies With Acquisition of Upstream Oil and Gas Project; Forecasts Two Energy Provider M&A Deals Closing in Early 2014

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AEG Affiliated Energy Group announced that it and its affiliates have acquired a ten percent working interest in a conventional oil project in Louisiana.

In announcing the new investment, AEG also said that it continues to focus on facilitating acquisitions and/or debt financing transactions for retail gas and electricity providers, and forecasts two additional M&A deals specifically involving gas and power providers closing by end of Q1 2014.

AEG's new conventional oil project focuses almost entirely on oil rather than natural gas with objectives near 14,000 feet. All requisite drilling permits were obtained before the federal government shutdown with an initial spud date expected mid-October.



“The acquisition of this conventional oil objective is expected to be cash generative and enhance our earnings,” said Rob S. Potosky, who Co-Chairs AEG’s M&A Practice. “We presently envision and are evaluating investments and acquisitions of additional conventional oil exploration projects. Our team believes that the market presently undervalues many North American conventional plays due to what we believe may be an overemphasis (and overpricing) of various shale gas objectives on the continent.”

“This recent acquisition furthers our strategic objective to accelerate AEG’s expansion and operations further upstream in the North American energy markets,” said Chad Price, EVP of AEG’s Commercial Energy Division. “Our working interest was acquired through a 100 percent cash investment with the AEG Group investing in this acquisition in conjunction with Potosky Drilling Fund. AEG is seeking to acquire working interests in two additional oil exploration projects over the next 12 months.”